



GOVERNOR'S

**20
22 | SMALL
BUSINESS**
WEBINAR SERIES

Take the STEP: A Guide to the State Trade Expansion Program

Governor's Office of Small Business Assistance

December 28, 2022



**OFFICE OF THE
GOVERNOR**

TEXAS ECONOMIC DEVELOPMENT & TOURISM



WHAT DO YOU THINK?

Please like one of these statements, in the Featured Feed:

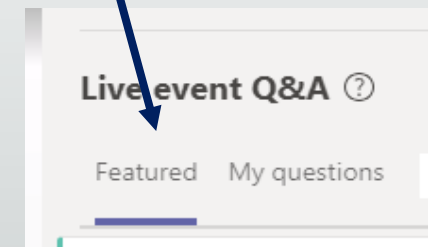
My company or organization is currently Export Ready
OR

I do not know if my company is currently Export Ready

Live Q&A Feed (upper right of screen):



"Featured" Feed Tab:





Annie Dennis

Deputy Director, Business & Community Development
Texas Economic Development & Tourism
Office of the Governor



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WHAT DO YOU THINK?

Please like one of these statements, in the Featured Feed:

My company/organization participates in International Trade Shows or Trade Missions.

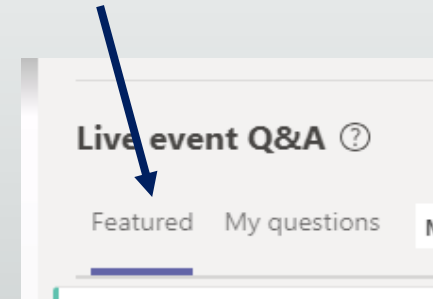
OR

My company/organization does not participate in International Trade Shows or Trade Missions.

Live Q&A Feed (upper right of screen):



"Featured" Feed Tab:





Mindy Fryer

Director, Contracts and Grants
Texas Department of Agriculture



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STATE TRADE EXPANSION PROGRAM (STEP)



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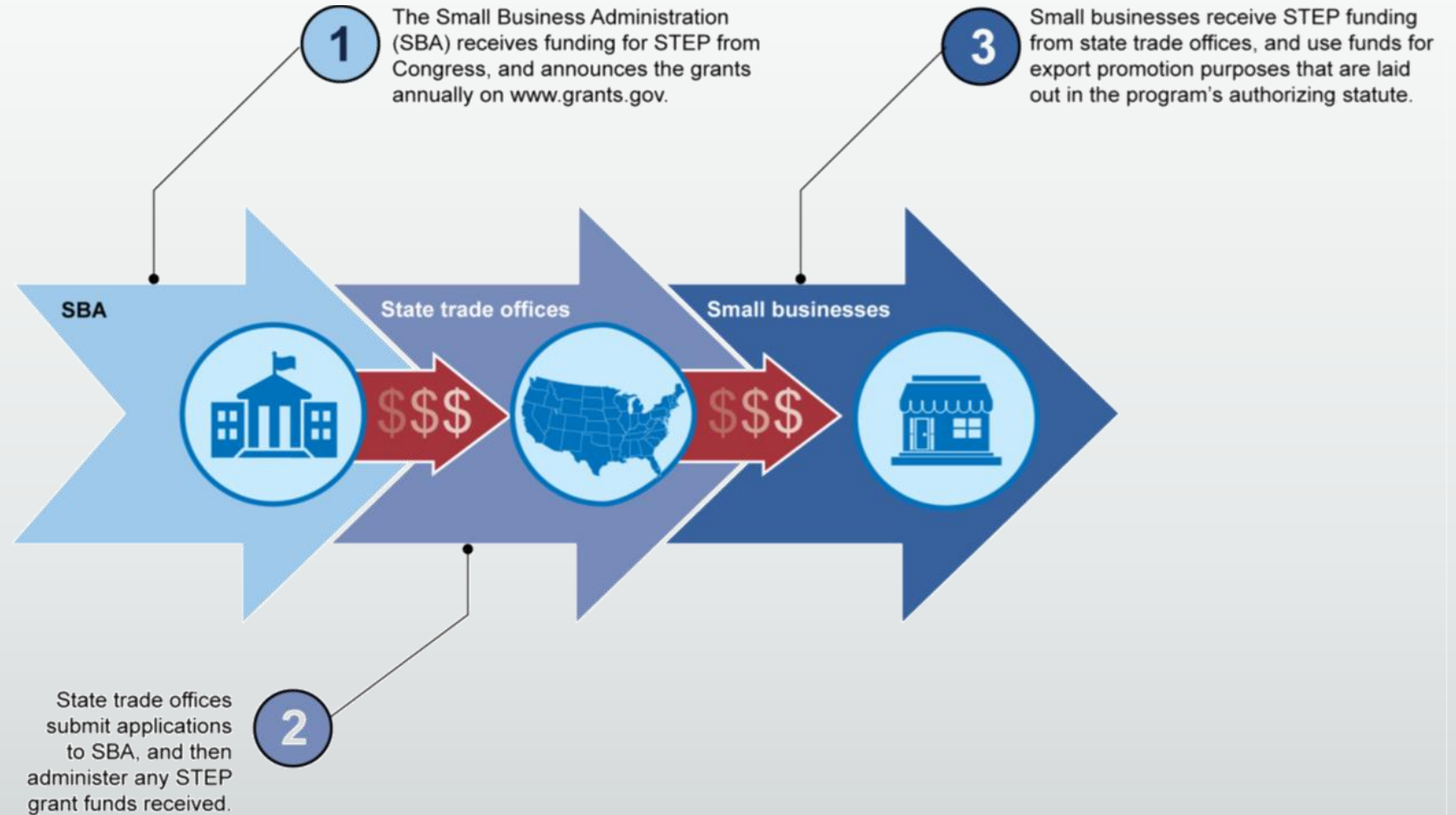


U.S. Small Business
Administration

*Funded in part through a Grant with the
U.S. Small Business Administration*



The Texas Department of Agriculture (TDA) received a State Trade Expansion Program (STEP) grant from the U.S. Small Business Administration.



Source: : GAO analysis of SBA documents. | GAO-19-276



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GOALS OF STEP



Increase the number
of small business
exporters



Increase number of
small businesses
exploring significant
new trade
opportunities



Increase the value of
exports for small
businesses already
engaged in
international trade



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Roughly three quarters of world purchasing power and
over 95% of world consumers are outside America's borders.

WHAT IS A SMALL BUSINESS IN RELATION TO STEP?

SBA Definition:

- Has its place of business in the U.S.
- Has been in business for no less than a year
- 51% U.S. content requirement
- Complies with SBA size standards
- Has a strategic plan for exporting and understands the costs associated with exporting
- Is independently owned and operated and is not dominant in its field on a national basis

SBA Calculation: Size Standards Table

- Based on either annual receipts or number of employees
- Business must have their NAICS code for the table look-up



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ESBC = Eligible Small Business Concern

Additional criteria will be outlined in published STEP Program guidelines

ELIGIBILITY (continued)

- Eligible small businesses must meet the following additional criteria to be considered for this program:
 - Be in good standing with the Texas Comptroller of Public Accounts.
 - Have a Federal Identification Number tied to a Texas address.
 - Have a product/service manufactured or produced in Texas. Does NOT have to be Agriculture related.



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WHAT STEP OFFERS

Export Stipend:

- To encourage companies to enter new international markets, the STEP Program will provide Export Stipends of up to \$10,000 to eligible businesses for approved export activities.
- Only one stipend may be received per program year



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EXPORT STIPEND PROGRAM

- Stipend awards are based:
 - On funds available;
 - The number of applications submitted; and
 - The strength and completeness of the applications;
Late, weak or incomplete applications are ineligible for reimbursement.
- The Stipend will vary based on the amount of assistance received.
- Companies are required to provide a 15% company cash match (\$1,500) in conjunction with the stipend.



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- APPLICANTS MUST

- identify a specific event/activity on their export stipend application.
- be either “new to export” or “market expansion” – that is, the event/activity must help them to enter a new market or segment, where they do not already have significant export sales.
 - Market Expansion (ME) are ESBCs who currently export to one or more markets and are seeking to:
 - Expand into new country market(s)
 - Expand into a new region or new segment or new product line within an existing market
 - New to Export (NTE) are ESBCs with:
 - No export experience at all
 - Only “accidental” or “novice” exporting experience
 - No export experience within 24 months



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STIPEND ACTIVITIES

- **U.S. Commercial Services Programs**
Gold Key Matching, International Partner Search, Initial Market Check, International Company Profile or Business Facilitation Service
- **Market Analysis**
- **Compliance testing** for an existing product for entry into a new export market
- **Export counseling/training programs**
- **Fees** for shipping sample products to an export market/trade show
- **Non-state coordinated participation in trade missions, trade shows or sales trips.** Eligible costs include registration fees, booth space, foreign language translation, airfare, ground transportation and lodging expenses
- **Subscription to Export Research tool**
- **Website:** design, translation, search engine optimization, localization services, and E-commerce
- **Design of Marketing Media:** placements of ads in international magazines, web ads, social media ads, design of brochures in other languages. All ad placements must be targeted toward international markets



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ELIGIBLE EXPENSES

Eligible Expenses

- Travel
 - Airfare (economy only on U.S. carriers)
 - Economy airfare compliant with the Fly America Act for up to two (2) company employees
 - The Fly America Act requires a U.S. flagship carrier for all travel unless there is no service to that destination
 - Lodging
 - Per Diem Maximum Lodging Rate as set by the [U.S. Department of State](#) for up to two (2) company employees
- Cost associated with CE mark
- Rental car and fuel for the rental car
- Foreign market sales trips
- Trade show fees, activity registration, booth fees, equipment rental, etc.
- Trade mission fees, activity registration, etc.
- Translation services: web, marketing material, etc.
- Services of the U.S. Commercial Service
- Market analysis
- Export training programs
- Export training programs
- Design of marketing media
 - brochures
 - advertisements in international magazines
 - website and social media advertisement with an international focus. **Social media placement costs must show proof they are targeting foreign markets.**
- Pre-award
 - Booth Space Rental Fees: Up to one year in advance of the approved trade show is allowable
 - Airfare: Up to six months in advance of the approved trade show is allowable
- Fees for shipping sample products
- Cost of compliance testing an existing product for entry into an export market
- Applicant export research tool subscription used to assist STEP Clients with market research



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ELIGIBLE EXPENSES

Eligible Expenses

- Website Fees
- Design and development of a website with an international focus
- Translation of website
- Search engine Optimization
- Oversight and maintenance and monitoring fees for search engine optimization
- Online market listing fees
- E-Commerce platform, including hosting and/or maintenance fees during the grant period only
- Expenses to set up websites to accept international payments



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INELIGIBLE EXPENSES

Ineligible Expenses

- Capital goods, product samples and supplies (except for trade show demonstration supplies)
- Cellphones and cellphone charges
- Cost for enhancement and/or development of an existing company's product
- Efforts to create or augment marketing and advertising campaigns to draw international visitors to a State
- Expenses incurred outside of the STEP grant period
- Expenses related to entertaining current or prospective clients or government officials
- Immunizations
- Meals, beverages, tips, alcohol
- New product development or alteration of existing products
- Passport or visa costs
- Printing of business cards
- Printing costs for marketing material for an 'eligible small business concern'

- Television and radio production
- Travel expenses for importers/distributors or in-market company representatives
- Wages, salaries, benefits, bonuses, or other employee incentives
- First Class or Business Class airline tickets
 - If you fly first class, you will only be reimbursed up to the Economy rate.
 - To receive reimbursement for the value of an Economy ticket when you fly First/Business class, you MUST provide a model of what the economy fare would have been at the time you booked your First/Business class ticket.
 - Ensure you or your travel agent secures this documentation; without it we cannot reimburse you.
- Airline Point Redemption
 - The value of Airline Point Redemption is not a reimbursable expense. You may use points to upgrade to business or first class, however, the economy airfare must be clearly shown on receipts.



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LIVE Q&A NOW OPEN

- The live Q&A feed is now open...
- Watch the “Featured” or “Published” live Q&A feed
- Check if your question has already been asked
- “Like” the questions you would like answered
- Questions with the most “likes” will be prioritized

Unfortunately, we may not get to all questions...

LIVE Q&A NOW OPEN

HOW DO I APPLY?

- Visit: www.TexasAgriculture.gov/STEP
- TDA will publish an official “Request for Grant Application” document
 - This document will outline the following information
 - Statement of Purpose
 - Program Authority
 - Term of Grant Agreement
 - Eligibility
 - Grant Recipient Responsibilities and Accountability
 - Funding Parameters
 - Application Requirements
 - Budget Information
 - Evaluation of Applications
 - Post Award/Event/Activity Process
 - General Information
 - General Compliance Information
 - Deadline for Submission of Responses
 - Program Contact Information
 - TDA-GO Application Online submission Instructions
 - Application Form Guidance



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STEP APPLICATION PROCESS

STEP 1: DOWNLOAD
Application Instructions



STEP 2: REGISTER

Access TDA-GO Online Application Portal and create new user account



STEP 3: APPLICATION
Start application in TDA-GO



STEP 4: SUBMIT

Status Change application in TDA-GO to "Application Submitted"



Approval of registration for the online system takes **24-48 hours**. Keep this in mind in relation to the deadline for submission.

LIVE Q&A NOW OPEN

TDA-GO

Why is TDA using an online grant application system?

- The agency has transitioned all 40 of its grant programs into an online grant management system to better facilitate
 - awards/agreements
 - performance reports
 - reimbursement payments



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LIVE Q&A NOW OPEN

TDA-GO

Sample of TDA-GO dashboard screen:



TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER

★ TDA GO! ★

TEXAS DEPARTMENT OF AGRICULTURE GRANTS ONLINE

Home Searches ▾

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700 701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000

Mary Sue ▾

Dashboard

My Tasks

Initiate Related Document

> Filter

▼ My Tasks

Name	Document Type	Organization	Status	Status Date	Due Date
CD422-0037	CD&G - Colonia Economically Distressed Areas Program - 2022	Test Grantee Organization	Application in Process	6/17/2022 1:06:10 PM	5/20/2022 11:59:00 PM
CD423-0009	CD&G - Colonia Economically Distressed Areas Program - 2023	Test Grantee Organization	Application in Process	9/7/2022 1:02:38 PM	5/20/2023 11:59:00 PM

Initiate New Application

> Filter

▼ Initiate New Application

Name	Provider	Availability	Description
CD&G - Colonia Economically Distressed Areas Program - 2022	TXDOA Provider	1/12/2022 12:00:00 AM - 12/31/2023 11:59:00 PM	
CD&G - Colonia Economically Distressed Areas Program - 2023	TXDOA Provider	7/25/2022 12:00:00 AM - Open Ended	
CD&G - Colonia Fund - Construction - 2022	TXDOA Provider	1/12/2022 7:00:00 AM - 12/31/2023 11:59:00 PM	

Announcements

This is an announcement from TDA Go staff.

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TDA-GO

Each page of the application will list on the left:

Home

Searches ▾

GST2022023

▼ Forms

Application

Applicant Contact Information ☐

Company Assessment ☐

Stipend Activity Detail ☐

Budget Narrative ☐

Budget Summary ☒

Required Uploads ☐

Certification ☐

Document Landing Page

Template	Instance	Process	
Grant - STEP - State Trade Expansion Program - 2022	Grant - STEP - State Trade Expansion Program - 2022	Application	
Document Name	Document Status		
GST2022023	Application in Process		
Organization	Your Role	Period Date	Due Date
Test Grantee Organization	Authorized Official	1/1/2022 12:00:00 AM 7/1/2022 11:59:00 PM	12/31/2022 11:59:00 PM

New Note



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HOW IS MY APPLICATION EVALUATED?

- Participation in STEP – 5-point max
 - New to STEP Program - 5 points
 - Previous Participation
 - Did the applicant fully utilize STEP Award? 2 points
 - Performance report completion – 3 points
- Export Readiness – 20 points
 - Commitment to new or expanding market
 - Received any export counseling assistance or has export marketing expertise
- Stipend Activity Details- 10 points
 - Number of activities are reasonable and clearly contribute to company's export plan
 - Impact to company's export sales
- Budget details – 4 points
- Preference will be given to the following ESBCs to meet SBA's required measurable goals of ensuring historically under-utilized business have access to the program:
 - ESBCs that are
 - Owned and controlled by socially and economically disadvantaged individuals;
 - Owned and controlled by women;
 - Owned and controlled by veterans and/or service-connected disabled veterans; and/or,
 - Rural small businesses.

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WHAT HAPPENS IF I AM AWARDED?

Sign

Grant Agreement in TDA-GO



Complete

The approved export activity



Submit

Reimbursement request
Performance report in TDA-GO



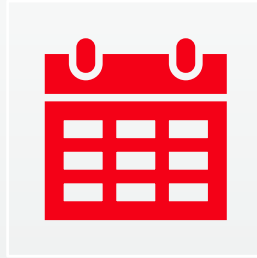
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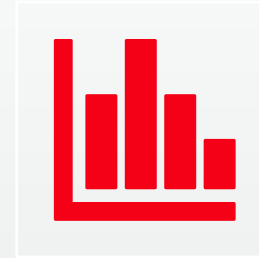
PERFORMANCE REPORT REQUIREMENTS



Submit reports at

30 days, 6 months, 12 months and 18 months post event/activity completion.

Reporting will be based upon sales that were a result of STEP funded activities.



Why is the sales reporting information important?

TDA is required to submit an aggregated report of data to determine ROI, or the success of the program.

Higher ROI for the STEP program means more funding for the Texas to continue these activities.



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SBA OFFICES & RESOURCE PARTNERS



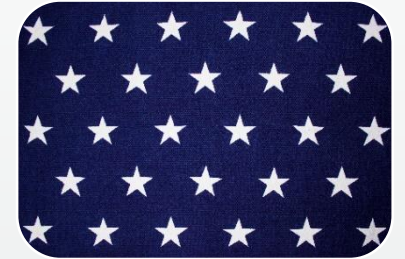
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SBA Office of
International Trade –
Washington, D.C.



SBA Finance Managers
in the Regional Offices
– Northern region,
Southeastern region,
Western region



SBA District Office(s) in
[each](#) state



[Small](#) Business
Development Centers
(SBDC)



<https://www.sba.gov/local-assistance/resource-partners/score-business-mentoring>

SCORE



WBCs and Veterans
Business Outreach
Centers



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ADDITIONAL RESOURCE PARTNERS



U.S. Commercial
Service – U.S.
Export Assistance
Centers (USEAC)



EXIM Bank



Foreign Agriculture
Service, U.S.
Department of
Agriculture



World Trade Centers



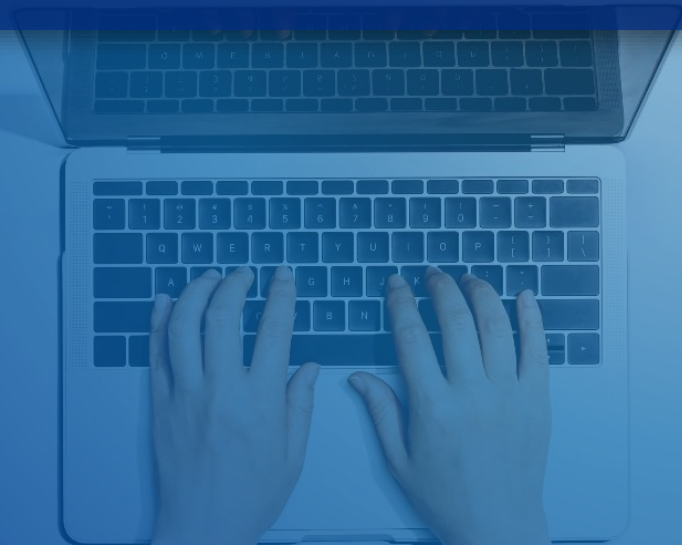
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LIVE QUESTIONS & ANSWERS





THE GOVERNOR'S
Small Business
RESOURCE PORTAL



This important tool offers a customized list of useful business resources to assist you in starting or growing your business in Texas.
Launched **March 17, 2021**.

Types of information included in the portal:

- Federal, State and Local Resources
- Business Advice and Growth Assistance
- Funding Sources
- Additional Specific Resources
- Licensing and Permitting (Added **April 26, 2022**)
- Contact the Small Business Assistance Team



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SMALL BUSINESS ASSISTANCE TEAM



Bryan Roller

Business Assistance Specialist
(512) 463-8343



Jack Herrell

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(512) 936-0228



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Social Media: @TexasEconDev
Events Calendar: gov.texas.gov/events



CONTACT INFORMATION & RESOURCES

- **Governor's Small Business Webinar Series:**
gov.texas.gov/business/page/small-business-webinars
Slides available here within 48 hours
- **Events Calendar:** gov.texas.gov/events
- [State Trade Expansion Program \(STEP\)](#) – Main Page
- **Trade & Business Development Texas Department of Agriculture:**
Grants@TexasAgriculture.gov

THANK YOU



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